

Introduced by Committee on Business, Professions and Economic Development (Senators Hill (Chair), Bates, Berryhill, Block, Galgiani, Hernandez, Jackson, Mendoza, and Wieckowski)

March 10, 2016

An act to amend Sections 5092, 5094.3, 5550.2, 7074, 7844, and 7887 of the Business and Professions Code, and to amend Section 13995.1 of the Government Code, relating to business and professions.

LEGISLATIVE COUNSEL'S DIGEST

SB 1479, as introduced, Committee on Business, Professions and Economic Development. Business and professions.

(1) Existing law provides for the licensure and regulation of accountants by the California Board of Accountancy, which is within the Department of Consumer Affairs. Existing law requires an applicant for licensure as a certified public accountant to provide documentation to the board of the completion of a certain number of units of ethics study, as specified. Existing law requires a portion of those units to come from courses containing specified terms in the course title, including, but not limited to, corporate governance.

This bill would instead require those units to come from courses in specified subjects relating to ethics.

(2) The Architects Practice Act provides for the licensure and regulation of architects and landscape architects by the California Architects Board, which is within the Department of Consumer Affairs, and requires a person to pass an examination as a condition of licensure as an architect. Existing law authorizes the board to grant eligibility to a candidate to take the licensure examination if he or she is enrolled in an Additional Path to Architecture Licensing program that integrates

the experience and examination components offered by a National Architectural Accrediting Board-accredited degree program.

This bill would instead authorize the board to grant eligibility to a candidate to take the licensure examination if he or she is enrolled in a degree program accepted by the National Council of Architectural Registration Boards that integrates the licensure degree experience and examination components required under that act.

(3) The Contractors' State License Law provides for the licensure and regulation of contractors by the Contractors' State License Board, which is within the Department of Consumer Affairs. That law requires, except as specified, an application for an original license, an additional classification, or for a change of qualifier to become void when certain conditions are met, including if the applicant or examinee for the applicant has failed to appear for the scheduled qualifying examination and fails to request and pay the fee for rescheduling within 90 days of notification of failure to appear or if the applicant or the examinee for the applicant has failed to achieve a passing grade in the scheduled qualifying examination and fails to request and pay the fee for rescheduling within 90 days of notification of failure to pass the examination.

This bill would delete those above-mentioned conditions as reasons for an application for an original license, an additional classification, or for a change of qualifier to become void.

(4) The Geologist and Geophysicist Act provides for the registration and regulation of professional geologists and professional geophysicists by the Board for Professional Engineers, Land Surveyors, and Geologists, which is within the Department of Consumer Affairs. That act requires an applicant for registration to take an examination and requires the examination to be held at the times and places within the state that the board determines.

This bill would authorize the board to make arrangements with a public or private organization to conduct the examination. The bill would authorize the board to contract with such an organization for materials or services related to the examination and would authorize the board to allow an organization specified by the board to receive, directly from applicants, payments of the examination fees charged by that organization for materials and services.

(5) The California Tourism Marketing Act requires the Governor to appoint a Tourism Selection Committee, as specified, and provides that the Director of the Governor's Office of Business and Economic

Development has the power to veto actions of the commission. That act states various findings and declarations by the Legislature regarding the tourism industry in California, including that the mechanism created by that act to fund generic promotions be pursuant to the supervision and oversight of the secretary.

This bill would instead find and declare that the mechanism to fund generic promotions be pursuant to the supervision and oversight of the Director of the Governor's Office of Business and Economic Development.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5092 of the Business and Professions
2 Code is amended to read:

3 5092. (a) To qualify for the certified public accountant license,
4 an applicant who is applying under this section shall meet the
5 education, examination, and experience requirements specified in
6 subdivisions (b), (c), and (d), or otherwise prescribed pursuant to
7 this article. The board may adopt regulations as necessary to
8 implement this section.

9 (b) An applicant for the certified public accountant license shall
10 present satisfactory evidence that the applicant has completed a
11 baccalaureate or higher degree conferred by a college or university,
12 meeting, at a minimum, the standards described in Section 5094,
13 the total educational program to include a minimum of 24 semester
14 units in accounting subjects and 24 semester units in business
15 related subjects. This evidence shall be provided prior to admission
16 to the examination for the certified public accountant license,
17 except that an applicant who applied, qualified, and sat for at least
18 two subjects of the examination for the certified public accountant
19 license before May 15, 2002, may provide this evidence at the
20 time of application for licensure.

21 (c) An applicant for the certified public accountant license shall
22 pass an examination prescribed by the board pursuant to this article.

23 (d) The applicant shall show, to the satisfaction of the board,
24 that the applicant has had two years of qualifying experience. This
25 experience may include providing any type of service or advice
26 involving the use of accounting, attest, compilation, management

1 advisory, financial advisory, tax, or consulting skills. To be
2 qualifying under this section, experience shall have been performed
3 in accordance with applicable professional standards. Experience
4 in public accounting shall be completed under the supervision or
5 in the employ of a person licensed or otherwise having comparable
6 authority under the laws of any state or country to engage in the
7 practice of public accountancy. Experience in private or
8 governmental accounting or auditing shall be completed under the
9 supervision of an individual licensed by a state to engage in the
10 practice of public accountancy.

11 (e) This section shall become inoperative on January 1, 2014,
12 but shall become or remain operative if the educational
13 requirements in ethics study and accounting study established by
14 subdivision (b) of Section 5093, Section 5094.3, and Section
15 5094.6 are reduced or eliminated.

16 (f) *The amendment to subdivision (d) of Section 5094.3 made*
17 *by the measure adding this subdivision shall not be deemed to*
18 *reduce or eliminate the educational requirements of Section 5094.3*
19 *for purposes of subdivision (e) of this Section.*

20 SEC. 2. Section 5094.3 of the Business and Professions Code
21 is amended to read:

22 5094.3. (a) An applicant for licensure as a certified public
23 accountant shall, to the satisfaction of the board, provide
24 documentation of the completion of 10 semester units or 15 quarter
25 units of ethics study, as set forth in paragraph (2) of subdivision
26 (b) of Section 5093, in the manner prescribed in this section.

27 (b) (1) Between January 1, 2014, and December 31, 2016,
28 inclusive, an applicant shall complete 10 semester units or 15
29 quarter units in courses described in subdivisions (d), (e), and (f).

30 (2) Beginning January 1, 2017, an applicant shall complete 10
31 semester units or 15 quarter units in courses described in
32 subdivisions (c), (d), (e), and (f).

33 (c) A minimum of three semester units or four quarter units in
34 courses at an upper division level or higher devoted to accounting
35 ethics or accountants' professional responsibilities, unless the
36 course was completed at a community college, in which case it
37 need not be completed at the upper division level or higher.

38 (d) Between January 1, 2014, and December 31, 2016, inclusive,
39 a maximum of 10 semester units or 15 quarter units, and on and
40 after January 1, 2017, a maximum of 7 semester units or 11 quarter

units, in courses containing the following terms in the course title:
the following subjects relating to ethics:

- (1) Business, government, and society.
- (2) Business law.
- (3) Corporate governance.
- (4) Corporate social responsibility.
- (5) Ethics.
- (6) Fraud.
- (7) Human resources management.
- (8) Business leadership.
- (9) Legal environment of business.
- (10) Management of organizations.
- (11) Morals.
- (12) Organizational behavior.
- (13) Professional responsibilities.
- (14) Auditing.

(e) (1) A maximum of three semester units or four quarter units
in courses taken in the following disciplines:

- (A) Philosophy.
- (B) Religion.
- (C) Theology.

(2) To qualify under this subdivision, the course title shall
contain one or more of the terms “introduction,” “introductory,”
“general,” “fundamentals of,” “principles,” “foundation of,” or
“survey of,” or have the name of the discipline as the sole name
of the course title.

(f) A maximum of one semester unit of ethics study for
completion of a course specific to financial statement audits.

(g) An applicant who has successfully passed the examination
requirement specified under Section 5082 on or before December
31, 2013, is exempt from this section unless the applicant fails to
obtain the qualifying experience as specified in Section 5092 or
5093 on or before December 31, 2015.

SEC. 3. Section 5550.2 of the Business and Professions Code
is amended to read:

5550.2. Notwithstanding subdivision (b) of Section 5552, the
board may grant eligibility, based on an eligibility point determined
by the Additional Path to Architectural Licensing Program, for a
candidate eligibility to take the *licensure* examination for a license
to practice architecture if he or she is to a candidate enrolled in

~~an Additional Path to Architectural Licensing program a degree program accepted by the National Council of Architectural Registration Boards that integrates the licensure degree experience and examination components offered by a National Architectural Accrediting Board-accredited degree program. required under this chapter. The eligibility point shall be determined by that degree program.~~

SEC. 4. Section 7074 of the Business and Professions Code is amended to read:

7074. (a) Except as otherwise provided by this section, an application for an original license, for an additional ~~classification~~ *classification*, or for a change of qualifier shall become void when:

~~(1) The applicant or examinee for the applicant has failed to appear for the scheduled qualifying examination and fails to request and pay the fee for rescheduling within 90 days of notification of failure to appear, or, after being rescheduled, has failed to appear for a second examination.~~

~~(2) The applicant or the examinee for the applicant has failed to achieve a passing grade in the scheduled qualifying examination, and fails to request and pay the fee for rescheduling within 90 days of notification of failure to pass the examination.~~

~~(3)~~
(1) The applicant or the examinee for the applicant has failed to achieve a passing grade in the qualifying examination within 18 months after the application has been deemed acceptable by the board.

~~(4)~~
(2) The applicant for an original license, after having been notified to do so, fails to pay the initial license fee within 90 days from the date of the notice.

~~(5)~~
(3) The applicant, after having been notified to do so, fails to file within 90 days from the date of the notice any bond or cash deposit or other documents that may be required for issuance or granting pursuant to this chapter.

~~(6)~~
(4) After filing, the applicant withdraws the application.

~~(7)~~

1 (5) The applicant fails to return the application rejected by the
2 board for insufficiency or incompleteness within 90 days from the
3 date of original notice or rejection.

4 ~~(8)~~

5 (6) The application is denied after disciplinary proceedings
6 conducted in accordance with the provisions of this code.

7 (b) The void date on an application may be extended up to 90
8 days or one examination may be rescheduled without a fee upon
9 documented evidence by the applicant that the failure to complete
10 the application process or to appear for an examination was due
11 to a medical emergency or other circumstance beyond the control
12 of the applicant.

13 (c) An application voided pursuant to ~~the provisions of this~~
14 section shall remain in the possession of the registrar for the period
15 as he or she deems necessary and shall not be returned to the
16 applicant. Any reapplication for a license shall be accompanied
17 by the fee fixed by this chapter.

18 SEC. 5. Section 7844 of the Business and Professions Code is
19 amended to read:

20 7844. (a) Examination for ~~registration~~ licensure shall be held
21 at the times and places within the state as the board shall determine.
22 The scope of examinations and the methods of procedure may be
23 prescribed by rule of the board.

24 (b) *The board may make arrangements with a public or private*
25 *organization to conduct the examination. The board may contract*
26 *with a public or private organization for materials or services*
27 *related to the examination.*

28 (c) *The board may authorize an organization specified by the*
29 *board to receive directly from applicants payment of the*
30 *examination fees charged by that organization as payment for*
31 *examination materials and services.*

32 SEC. 6. Section 7887 of the Business and Professions Code is
33 amended to read:

34 7887. The amount of the fees prescribed by this chapter shall
35 be fixed by the board in accordance with the following schedule:

36 (a) The fee for filing each application for licensure as a geologist
37 or a geophysicist or certification as a specialty geologist or a
38 specialty geophysicist and for administration of the examination
39 shall be fixed at not more than two hundred fifty dollars (\$250).

(b) The license fee for a geologist or for a geophysicist and the fee for the certification in a specialty shall be fixed at an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, with respect to certificates that will expire less than one year after issuance, the fee shall be fixed at an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued. The board may, by appropriate regulation, provide for the waiver or refund of the initial certificate fee where the certificate is issued less than 45 days before the date on which it will expire.

(c) The duplicate certificate fee shall be fixed at not more than six dollars (\$6).

(d) The renewal fee for a geologist or for a geophysicist shall be fixed at not more than four hundred dollars (\$400).

(e) The renewal fee for a specialty geologist or for a specialty geophysicist shall be fixed at not more than one hundred dollars (\$100).

(f) Notwithstanding Section 163.5, the delinquency fee for a certificate is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date.

(g) Each applicant for licensure as a geologist shall pay an examination fee fixed at an amount equal to the actual cost to the board to administer the examination described in subdivision (d) of Section ~~7841~~. *7841, unless an applicant pays the examination fee directly to an organization pursuant to Section 7844.*

(h) Each applicant for licensure as a geophysicist or certification as an engineering geologist or certification as a hydrogeologist shall pay an examination fee fixed by the board at an amount equal to the actual cost to the board for the development and maintenance of the written examination, and shall not exceed one hundred dollars (\$100).

(i) The fee for a retired license shall be fixed at not more than 50 percent of the fee for filing an application for licensure as a geologist or a geophysicist in effect on the date of application for a retired license.

SEC. 7. Section 13995.1 of the Government Code is amended to read:

13995.1. The Legislature hereby finds and declares all of the following:

1 (a) Tourism is among California's biggest industries,
2 contributing over fifty-two billion dollars (\$52,000,000,000) to
3 the state economy and employing nearly 700,000 Californians in
4 1995.

5 (b) In order to retain and expand the tourism industry in
6 California, it is necessary to market travel to and within California.

7 (c) State funding, while an important component of marketing,
8 has been unable to generate sufficient funds to meet the threshold
9 levels of funding necessary to reverse recent losses of California's
10 tourism market share.

11 (d) In regard to the need for a cooperative partnership between
12 business and industry:

13 (1) It is in the state's public interest and vital to the welfare of
14 the state's economy to expand the market for, and develop,
15 California tourism through a cooperative partnership funded in
16 part by the state that will allow generic promotion and
17 communication programs.

18 (2) The mechanism established by this chapter is intended to
19 play a unique role in advancing the opportunity to expand tourism
20 in California, and it is intended to increase the opportunity for
21 tourism to the benefit of the tourism industry and the consumers
22 of the State of California.

23 (3) Programs implemented pursuant to this chapter are intended
24 to complement the marketing activities of individual competitors
25 within the tourism industry.

26 (4) While it is recognized that smaller businesses participating
27 in the tourism market often lack the resources or market power to
28 conduct these activities on their own, the programs are intended
29 to be of benefit to businesses of all sizes.

30 (5) These programs are not intended to, and they do not, impede
31 the right or ability of individual businesses to conduct activities
32 designed to increase the tourism market generally or their own
33 respective shares of the California tourism market, and nothing in
34 the mechanism established by this chapter shall prevent an
35 individual business or participant in the industry from seeking to
36 expand its market through alternative or complementary means,
37 or both.

38 (6) (A) An individual business's own advertising initiatives are
39 typically designed to increase its share of the California tourism

1 market rather than to increase or expand the overall size of that
2 market.

3 (B) In contrast, generic promotion of California as a tourism
4 destination is intended and designed to maintain or increase the
5 overall demand for California tourism and to maintain or increase
6 the size of that market, often by utilizing promotional methods
7 and techniques that individual businesses typically are unable, or
8 have no incentive, to employ.

9 (7) This chapter creates a mechanism to fund generic promotions
10 that, pursuant to the required supervision and oversight of the
11 ~~secretary~~ *director* as specified in this chapter, further specific state
12 governmental goals, as established by the Legislature, and result
13 in a promotion program that produces nonideological and
14 commercial communication that bears the characteristics of, and
15 is entitled to all the privileges and protections of, government
16 speech.

17 (8) The programs implemented pursuant to this chapter shall
18 be carried out in an effective and coordinated manner that is
19 designed to strengthen the tourism industry and the state's economy
20 as a whole.

21 (9) Independent evaluation of the effectiveness of the programs
22 will assist the Legislature in ensuring that the objectives of the
23 programs as set out in this section are met.

24 (e) An industry-approved assessment provides a private-sector
25 financing mechanism that, in partnership with state funding, will
26 provide the amount of marketing necessary to increase tourism
27 marketing expenditures by California.

28 (f) The goal of the assessments is to assess the least amount per
29 business, in the least intrusive manner, spread across the greatest
30 practical number of tourism industry segments.

31 (g) The California Travel and Tourism Commission shall target
32 an amount determined to be sufficient to market effectively travel
33 and tourism to and within the state.

34 (h) In the course of developing its written marketing plan
35 pursuant to Section 13995.45, the California Travel and Tourism
36 Commission shall, to the maximum extent feasible, do both of the
37 following:

38 (1) Seek advice and recommendations from all segments of
39 California's travel and tourism industry and from all geographic
40 regions of the state.

1 (2) Harmonize, as appropriate, its marketing plan with the travel
2 and tourism marketing activities and objectives of the various
3 industry segments and geographic regions.

4 (i) The California Travel and Tourism Commission's marketing
5 budget shall be spent principally to bring travelers and tourists into
6 the state. No more than 15 percent of the commission's assessed
7 funds in any year shall be spent to promote travel within California,
8 unless approved by at least two-thirds of the commissioners.

O